

InSite

InSite Real Estate, LLC
1400 16th Street, Suite 300 | Oak Brook, IL 60523-8854
t: 630-617-9100 | f: 630-617-9120 | www.insiterealestate.com

Letter of transmittal

-	3/25/2016		Project:	Brownfield			
			Continue of the	7	InSite Hicko	ory - Highwa	ay /USE
_	NC Brownfields P						5525212829
_	Attn: Shirley Liggins N.C. Department of Environmental Quality						625
_							
_	Division of Waste Management			-			MAR 20
-	Mail Service Center 1646 Raleigh, NC 27699-1646			-			8 MAR 20
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Г	Plans		Purchase	Order		Sent via:	X Next day 91919
-	Specification	ons	Change O				2nd day
-	Contract			ittals/Samples			Regular
-	Waiver		Check				Express
	Sworn Stat	tement	X Other:	Application	on		Sat delivery
	Invoice				4		Hand delivery
							Ground
Date	<u>Copies</u>	Number	Description				
	1		Brownfields Pro				
	1		Application Fee	(Check No	. 1067 for \$3	20.00)	
	1		USGS Site Locat	tion Map			
	1		Site Map				Charles of the second
	1	2	Property Survey	y Plat			
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Brownfields Property Application

North Carolina Brownfields Program www.ncbrownfields.org

I. PROSPECTIVE DEVELOPER (PD) INFORMATION (USE TAB KEY TO GET TO NEXT DATA ENTRY LINE - DO NOT USE THE RETURN KEY}

A. PD information:

Entity name

HICKORY, NC (2115 US HWY 70 SE) LLC

Principal Officer

Robin Rash

Representative

Dan Uebelhor

Mailing Address

1400 16th Street, Suite 300

Oak Brook, IL 60523

E-mail address

duebelhor@gmall.com

Phone No.

630-617-9151

Fax No.

630-617-9120

Web site

www.insiterealestate.com



B. PD contact person information (i.e., individual who will serve as the NCBP's point of contact if different than above):

Name

Company

Mailing Address

E-Mail Address

Phone No.

Fax No.

C. Information regarding all parent companies, subsidiaries or other affiliates of PD (attach separate sheet(s) if necessary):

(Use for LLCs)

Member-managed or manager-managed? Answer: Manager-managed

If manager-managed, provide name of manager and percent of ownership:

Name Robin Rash

Ownership (%) 0%

Mailing Address 1400 16th Street, Suite 300

Oak Brook, IL 60523

E-Mail Address rrash@insiterealestate.com

Phone No. 630-617-9117 Fax No. 630-617-9120

For all LLCs, list all members of the LLC and provide their percent of ownership:

Name ICM Partners, LLC

Ownership (%) 55%

Mailing Address 1400 16th Street, Suite 300

Oak Brook, IL 60523

E-Mail Address N/A

Phone No. 630-617-9100 Fax No. 630-617-9120

Name InSite Holdings, LLC

Ownership (%) 25%

Mailing Address 1400 16th Street, Suite 300

Oak Brook, IL 60523

E-Mail Address N/A

Phone No. 630-617-9100 Fax No. 630-617-9120

Name Columbia Holdings, LLC

Ownership (%) 20%

Mailing Address 1400 16th Street, Suite 300

Oak Brook, IL 60523

E-Mail Address N/A

Phone No. 630-617-9100 Fax No. 630-617-9120 Managers of manager-managed LLCs are required to execute all brownfield documents for the LLC; as to member-managed LLCs, state name of member who will sign these documents.

List all parent	companies, subsidiaries a	ind other affiliates:				
See list of Ow	vners					
(Use for Part	nerships)					
Check one:						
List all partne	rs and percent of ownersh	ip:				
Name Ownership (% Mailing Addre	•					
E-Mail Addre	ss					
Phone No.						
Fax No.						
Is this person	a general or limited partn	er?				
Name						
Ownership (%	%)					
Mailing Addre	əss					
E-Mail Addre	ss					
Phone No.						
Fax No.						
Is this persor	n a general or limited partn	er?				
List all paren	t companies, subsidiaries :	and other affiliates:				

(Use for corporations other than LLCs)

(If information is the same as shown in 1.A., please indicate "same as 1.A." below.)

Name

Mailing Address

E-Mail Address

Phone No.

Fax No.

List all parent companies, subsidiaries and other affiliates:

(Use for individuals)

(If individual is the same as shown in 1.A., -please indicate "same as 1.A." above.)

Name

Mailing Address

E-Mail Address

Phone No.

Fax No.

D. Does PD have or can it obtain the <u>financial</u> means to fully implement a brownfields agreement and assure the safe reuse of the property? (Attach supporting documentation such as letters of credit, financial statements, etc.)

Answer

Yes

Explanation HICKORY, NC (2115 US HWY 70 SE) LLC ("InSite" or "PD") is part of the InSite Real Estate real property development group. Since it was founded in 1988, InSite Real Estate has completed over 400 projects in 35 states ranging from 2,000 to 2.6 million square feet in size and \$1 million to \$250 million in value. InSite self-funds all project capital and has appropriate capital to implement a brownfields agreement and assure safe reuse of the property.

E. Does PD have or can it obtain the <u>managerial</u> means to fully implement a brownfields agreement and assure the safe use of the property?

Answer Yes

Explanation As part of the InSite Real Estate group, PD operates under a deep and experienced management team with extensive experience in developing and managing real estate projects. InSite Real Estate owns over 11 million square feet of industrial, retail, and office space serving as home to over 250 commercial tenants. PD has or will contract with a North Carolina-licensed engineering consulting firm to assist with the technical aspects of the brownfields project including implementation of the brownfields agreement and any associated environmental management plan.

F. Does PD have or can it obtain the <u>technical</u> means to fully implement a brownfields agreement and assure the safe use of the property?

Answer Yes

Explanation PD has employees on staff with substantial technical experience and professional skills, including professional engineers and attorneys. PD has or will contract with a North Carolina-licensed engineering consulting firm to assist with the technical aspects of the brownfields project including implementation of the brownfields agreement and any associated environmental management plan. The consulting firm to be retained will have substantial experience with the North Carolina Brownfields Program and implementation of brownfields agreements.

G. Does PD commit that it will comply (and has complied, if PD has had a prior project in the NCBP) with all applicable procedural requirements of the NCBP, including prompt payment of all statutorily required fees?

Answer Yes, PD commits to all applicable procedural requirements

(List all NCBP project name(s) and NCBP project ID numbers where PD or any parent company, subsidiary and other affiliate of PD has been a party to.)

This will be the first brownfields project for PD in North Carolina.

H. Does PD currently own the property?

Answer No, PD will close on the purchase of the property following issuance of a Letter of Eligibility for the Brownfields Program.

If yes, when did PD purchase the property and from whom? (Provide name, address, telephone number and email address of the contact person for the current

property owner.)

If no, provide the name, address, telephone number and e-mail address of the contact person for the current property owner

DRR Properties LLC 5279 Wolfe Road Hickory, NC 28601 Attn: Robbin K Osborne 828-312-3158 robbinosborne@gmail.com

I. If PD does not currently own the property, does PD have the property under contract to purchase?

Answer

Yes

If yes, provide date of contract. June 4, 2015

If no, when does the PD intend to purchase the property (e.g., after the project is determined to be eligible for participation in the NCBP, after PD receives a draft BFA, after the conclusion of the brownfields process)?

 J. Describe all activities that have taken place on the property since PD or PD's parents, subsidiaries and/or other affiliates, and/or lessees or sublessees of PD, took ownership of or operated at the property (e.g., industrial, manufacturing or commercial activities, etc.). (Include a list of all regulated substances as defined at NCGS § 130A-310.31(b)(11) that have been used, stored on, or otherwise present at the property while those activities were conducted, and explain how they were used.)

PD does not own and has never operated or occupied the subject property. It is PD's understanding that no industrial, manufacturing, or commercial activiities have occurred since the effective date of the purchase contract between PD and the current property owner. The existing retail facility is unoccupied and two existing residences have been vacated. A topographic survey and Phase I Environmental Site Assessment were performed on the property. Additional groundwater and soil sampling and analysis were performed.

II. SITE INFORMATION

A. <u>Information regarding</u> the proposed brownfields property:

Proposed project name InSite Hickory - Highway 70 SE

acreage 1.51 acres County Catawba

street address(es) 2115 US Highway 70 SE

city Hickory zip 28602

tax ID(s) or PIN(s) 371107792430

past use(s) Commercial and Residential Buildings

current use(s) Commercial and Residential Buildings

cause(s)/source(s) of contamination:

known Petroleum USTs on-site (UST Section Incident Number 17262 closed

pursuant to Notice of No Further Action issued October 28, 2003)

suspected Prior automotive garage on adjoining property to the east

B. Regulatory Agency Involvement: List the site names and all identifying numbers (ID No.) previously or currently assigned by any federal, state or local environmental regulatory agencies for the property. The ID No's may include CERCLIS numbers, RCRA generator numbers for past and present operations, UST database, Division of Water Quality's incident management database, and/or Inactive Hazardous Sites Branch inventory numbers. (In many instances, the PD will need to actively seek out this information by reading environmental site assessment reports, reviewing government files, contacting government officials, and through the use of government databases, many of which may be available over the internet.)

Agency Name/ID No: NCDWM UST Section/Incident Number 17262

Agency Name/ID No: NCDWM IHSB/Facility ID# 86776, NONCD0002234

Agency Name/ID No: Agency Name/ID No: Agency Name/ID No: Agency Name/ID No:

C. In what way(s) is the property is abandoned, idled, or underused?

The property currently has three structures present. A former retail building sits vacant and unoccupied. Two residences have been recently vacated and abandoned. The property is located on Highway 70 SE in Hickory, North Carolina in an active retail and commercial corridor. The property is severely underused compared to similar properties on this portion of Highway 70.

D. In what way(s) is the actual or possible contamination at the property a hindrance to development or redevelopment of the property (attach any supporting documentation such as letters from lending institutions)?

PD is unable to finance the purchase and development of the property or enter into appropriate commercial leases with prospective tenants unless and until the known contamination issue at the property is resolved.

E. In what way(s) is the redevelopment of the property difficult or impossible without a brownfields agreement (attach any supporting documentation such as letters form lending institutions)?

PD is unable to finance the purchase and development of the property or enter into appropriate commercial leases with prospective tenants unless and until the known contamination issue at the property is resolved. A brownfields agreement will allow PD, lenders, tenants, and successors in title to mitigate environmental liability risk associated with the property.

F. What are the planned use(s) of the redeveloped brownfields property to which the PD will commit? Be as specific as specific as possible.

The planned redevelopment project is for the construction of a 6,900 square foot building for multi-tenant retail and restaurant uses.

- G. Current tax value of brownfields property: \$925,000.00
- H. Estimated capital investment in redevelopment project: \$2,726,324.00 (total project cost)
- I. <u>List and describe the public benefits that will result from the property's redevelopment</u>. Be as specific as possible. (Examples of public benefits for brownfields projects include job creation, tax base increases, revitalization of blighted areas, preserved green space, preserved historic places, improving disadvantaged neighborhood quality-of-life related retail shopping opportunities, affordable housing, environmental cleanup activities or set asides that have community or environmental benefits. In gauging public benefit, NCBP places great value upon letters of support from community groups and local government that describe anticipated improvements in quality of life for neighboring communities that the project will bring about. The inclusion of such support letters with this application is recommended and encouraged.)

The proposed redevelopment project will return the property to productive and active use. The redevelopment would provide retail and dining options for the surrounding community and neighborhoods and may spur additional community redevelopment, through improved neighborhood appearance. The project will also result in an increased tax base and property tax revenue long term for Catawba County. The project is expected to generate a significant number of retail and restaurant jobs, as well as up to 50+ construction jobs during the 6 month construction duration itself. The project will advance smart growth through use of land in an already developed area, which avoids further greenfield development. The project will also incorporate improvements for stormwater management and water quality. Additionally, the project will incorporate green landscaping [and low impact development] concepts.

<u>Special Note</u>: Please describe all environment-friendly technologies and designs PD plans to utilize in its redevelopment strategy. For example, environment friendly redevelopment plans could include: Leadership in Energy and Environmental Design (LEED) Certification, green building materials; green landscaping techniques such as using drought resistant plants; energy efficient designs, materials, appliances, machinery, etc.; renewable sources of energy, and/or recycling/reuse of old building materials such as brick or wood.

J. Who will own the brownfields property when the Notice of Brownfields Property is filed with the register of deeds at the conclusion of the brownfields process? (If Information is the same as 1.A. above, please Indicate.)

Name

Same as 1.A. above

Mailing Address

E-Mail Address

Phone No.

Fax No.

III. OTHER REQUIRED INFORMATION

A. <u>Brownfields Affidavit</u>: PD must provide its certification, in the form of a signed and notarized original of the unmodified model brownfields affidavit provided by NCBP, that it did not cause or contribute to contamination at the property and that it meets all other statutory eligibility requirements. (Note: The form to use for this affidavit is attached to this application. An original hard copy of this affidavit must be filled out, signed, notarized and submitted with this application.)

Is the required affidavit, as described above, included with this application?

Answer:

Signed and notarized Affadavit is attached with this application

B. Proposed Brownfields Agreement Form: PD must provide the completed form Proposed Brownfields Agreement. (Note: The form to use for this document is attached to this application. It must be filled out, initialed, and attached on your submittal.)

Is the required Proposed Brownfields Agreement, as described above, included with this application?

Answer

Yes, included.

C. <u>Location Map</u>: PD must provide a copy of the relevant portion of the 1:24,000 scale <u>U.S.G.S.</u> topographic quadrangle map that shows the location of the property, clearly plotted, and that measures at least an 8 ½ by 11 inches. (Note: these maps can be purchased through the above link, or often through retail outdoor recreation stores that can print out the relevant map. Often environmental reports have location maps that use this type of map format as the base for its location map.) Is the required location map included with this application?

Answer

Yes, included.

D. Survey Plat: PD must provide a preliminary survey plat of the brownfields property with the property boundaries clearly identified, and a metes and bounds legal description that matches the property description on the plat. At this stage of the brownfields process, one or more existing survey plats from a previous property conveyance will suffice. (Before the brownfields project enters the public comment phase of the brownfields process, the PD will be required to submit a final brownfields survey plat which includes the information listed in the brownfields survey plat quidance.)
Is the required preliminary survey plat included with this application?

Answer

Yes, included.

E. <u>Site Photographs</u>: PD must provide at least one pre-redevelopment photograph of the property, in either hard copy or electronic format, that shows existing facilities and structures. Please note that the NCBP prefers to have electronic photos instead of or in addition to hard copies. Electronic copies of photographs should be emailed to: <u>Shirley.Liggins@ncdenr.gov</u> with a clear indication as to which Brownfields <u>Application they apply to</u>.
Are photographs of the property included with this application?

Answer Yes, included.

Yes.

Have electronic copies of the photographs been emailed to NCBP?

Answer

F. <u>Environmental Reports/Data</u>: If it makes an affirmative eligibility determination, the NCBP will request that PD provide any and all existing environmental reports and data for the property on **CD only**. The brownfields process may be expedited if PD submits such reports/data with this application.

Are any environmental reports/data being submitted with this application?

Answer

Yes. Reports submitted with this application.

If environmental reports/data are being submitted with this application, please provide the title, date and author of each item being submitted:

UST Closure Report Salem Environmental March 25, 1997 Excavation and Landfarming Activites Subsequent to a UST Closure Report Salem Environmental September 12, 1997

Soil and Groundwater Assessment Report Geological Resources Inc. October 22, 2003

Phase I Environmental Site Assessment Report September 22, 2015 ECS Carolinas, LLP

Soil & Groundwater Assessment Report November 4, 2015 ECS Carolinas, LLP

Groundwater Assessment Report March 22, 2016 ECS Carolinas, LLP

IV. ADDITIONAL REQUIRED FORMS

The following forms are to be filled out and submitted with the application including the Responsibility and Compliance Affidavit and the Proposed Brownfields Agreement. Submittal of the Affidavit requires signature and notarization, and the Proposed Brownfields Application requires an initial.

NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY

NORTH CAROLINA BROWNFIELDS PROGRAM

IN TH	E MATTER OF: InSite Hickory - Highway 70 SE	
NORT	R THE AUTHORITY OF) AFFIDAVIT H CAROLINA GENERAL) RE: RESPONSIBILITY JTES > 130A-310.30, et. seq.) AND COMPLIANCE	
	and course tight and CPN LLC hadron factor with a market demonstrated on the	
	, NC (2115 US Hwy 70 SE) LLC, being duly sworn, hereby deposes and says:	
1.	I am < <manager>> of Hickory, NC (2115 US Hwy 70 SE) LLC.</manager>	
2.	[if signatory is not President, add this paragraph: "I am fully authorized to make the declarations contained herein and to legally bind Hickory, NC (2115 US Hwy 70 SE) LLC."]	
3.	Hickory, NC (2115 US Hwy 70 SE) LLC is applying for a Brownfields Agreement with the North Carolina Department of Environmental Quality, pursuant to N.C.G.S. ∋ 130A, Article 9, Part 5 (Brownfields Act), in relation to the following 371107792430parcel(s) in Hickory, Catawba, Cour. North Carolina: 2115 US Highway 70 SE.	
	I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that Hickory, (2115 US Hwy 70 SE) LLC, and any parent, subsidiary or other affiliate meets the eligibility requirements of N.C.G.S. ∋ 130A-310.31(b)(10), in that it has a <i>bona fide</i> , demonstrable desire to develop or redevelop, and did not cause or contribute to the contamination at, the parcel(s) cited in preceding paragraph.	ı the
5.	I hereby certify, under the pains and penalties of perjury and of the Brownfields Act, that Hickory, (2115 US Hwy 70 SE) LLC meets the eligibility requirement of N.C.G.S.>130A-310.32(a)(1) in the and any parent, subsidiary or other affiliate have substantially complied with:	, NC pat it
	 a. the terms of any brownfields or similar agreement to which it or any parent, subsidiary or other affiliate has been a party; 	
	 the requirements applicable to any remediation in which it or any parent, subsidiary or oth affiliate has previously engaged; 	er
	c. federal and state laws, regulations and rules for the protection of the environment. Affiant further saith not.	
	Signature/Printed Name ROBIN RASH	
	Date 3126114	
	Sworn to and subscribed before me	
	this 25th day of	
	Course Motary Public	
	My commission expires: OFFICIAL SEAL JACILYN M-LIARCMATIS NOTARY PUBLIC: STATE OF ELINORS	

Preliminary Proposed Brownfields Agreement

I. P	roperty Facts	
a. Pı	roperty Address	(es): 2115 US Highway 70 SE, Hickory, NC 28602
b. Pi	roperty Seller:	DRR Properties LLC, 5279 Wolfe Road, Hickory, NC 28601
c. Pr	operty Buyer:	Hickory, NC (2115 US Hwy 70 SE) LLC
uses. build	The former Ser ing currently on	age History: The property historically has had residential and commercial altest Dairy operated on-site for a period of years and the commercial site has been in use since approximately 1965. Petroleum USTs were site associated with commercial operations.
e. Ti	/): School/childe Residential Commercial,	rial
	contaminant Intercontaminant solo: Contaminants Contaminants Contaminants Contaminants	formation ituation at the property is best described by the following (check all that are from an on-property source(s) are from an off-property source(s) are from an unknown source(s) have not yet been documented on the property

b. Contaminated Media Table. (If known, check appropriate boxes below)

[Contaminant Types	I		and/or	indwater Private r Surface Vater		e Wells	Vapor Intrusion	
1		known	Suspected	known	Suspected	known	suspected	known	suspected
or ganic	Solvents (list):			PCE 1.83 to 2.2 ppb		Zilowii	Suspector	1000	stappened.
S	Petroleum: ASTs USTs Other Other Clist):								
i n o r g a n i c s	Metals (list):	CR 26.8 to 54.2 ppm Pb 34.9 to 18.9 ppm Cr+6 <6.5 ppm		CR 0.152 to 0.416 ppm Pb 0.0179 to 0.0472 ppm					
	Other (list):								

III. Protective Measures

I am prepared to take steps necessary to make the property suitable for its planned uses while fully protecting public health and the environment. I propose that NCBP consider a brownfields agreement that will make the property suitable for the planned use(s) through the following mechanism(s) (check all that apply):

Contaminant remediation to risk-based levels. Engineered Controls (e.g., low permeability caps, vapor mitigation systems, etc) Land use restrictions that run with the land that will restrict or prohibit uses that are unacceptable from a risk assessment/management perspective. (Important Note: In any final brownfields agreement generated by the NCBP, land use restrictions will ultimately come with the continuing obligation to submit an annual certification that the Land Use Restrictions are being complied with and remain recorded at the applicable register of deeds office.)
aeeas office.)

IV. Fees

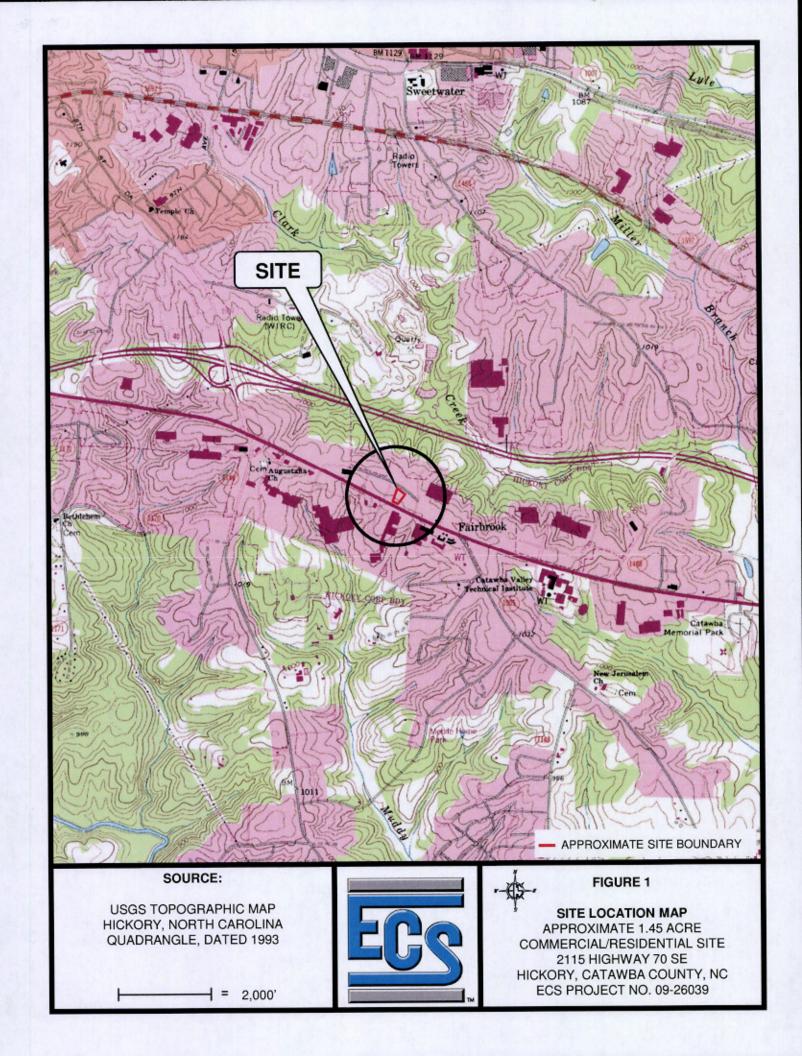
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In connection with a brownfields agreement, the Act requires that the developer pay fees to offset the cost to the Department of Environmental Quality and the Department of Justice. In satisfaction of the Act, the following fees apply to a brownfields agreement that is developed for this project under the standard program, subject to negotiation of the brownfields agreement:

- a. A \$2,000 initial fee will be due from the applicant PD when both of the following occur:
 - 1) NCBP receives this application, the affidavit and proposed brownfields agreement, AND
 - 2) NCBP notifies the applicant in writing that the applicant PD and the project are eligible for participation in the NCBP and continued negotiation of a brownfields agreement.
- b. A second fee of \$6,000 will be due from the PD prior to execution of the brownfields agreement. Should the prospective developer choose to negotiate changes to the agreement that necessitate evaluation by the Department of Justice, additional fees shall apply.
- c. Any addendum/modifications to the BFA or NBP after they are in effect will result in an additional fee of at least \$1,000.
- d. In the unexpected event that the environmental conditions at the property are unusually complex, such that NCBP's costs will clearly exceed the above amounts, NCBP and PD will negotiate additional fees.
- e. Additional fees are charged for the Ready for Reuse and Redevelopment Now programs.

\boxtimes $\mathcal{V}_{\mathcal{D}}$	Please check this box and initial in space provided to indicate your
acknowledgem	ent of the standard brownfields fee structure.
Ready for Reus alternate fee str	Please check this box and initial in space provided to indicate your interest in the e or the Redevelopment Now programs, and your acknowledgement of the acture as outlined in the Ready for Reuse or the Redevelopment Now Feement (under separate cover).

Date of Submittal: 1 MARCH 28, 2016





AERIAL PHOTOGRAPH, DATED 2014





2115 HIGHWAY 70 SE HICKORY, CATAWBA COUNTY, NC ECS PROJECT NO. 09-26039

